Office of Federal Contract Assistance for Veteran Business Owners

Presented by

Fernando Guerra

Veterans' Business Development Officer

U.S. Small Business Administration

Office of Federal Contract Assistance for Veteran Business Owners (OFCAVBO)

PROGRAM HISTORY

- The **VETERANS ENTREPRENEURSHIP and SMALL BUSINESS DEVELOPMENT ACT of 1999 (PL106-50)** established an annual Government-wide goal of not less than 3 percent of the total value of all prime contract and subcontract awards for participation by small business concerns owned and controlled by service-disabled veterans.

- The **VETERANS BENEFITS ACT (VBA) of 2003 (PL108-183)** added, in addition to other provisions, a contracting mechanism to enable agencies to reach the 3% prime contracting goal established in1999.

PROGRAM HISTORY

- **Public Law 106-50**
- **Public Law 108-183**
- **Interim Final Rule**
- **Executive Order 13360**
- **Interim Final Rule – OHA**
- **Final Rule**

PROGRAM HISTORY

- On May 5, 2004, the SBA issued the **Interim Final Rule** to implement Section 308 of the VBA of 2003 established a sole source and set-aside procurement program for service-disabled veteran-owned small business concerns (SDVO SBC).
  Federal Register Vol 69, No. 87, p. 25262

- On October 20, 2004, President Bush issued **Executive Order 13360** to strengthen opportunities in Federal contracting for Service-Disabled Veteran-Owned Small Business Concerns.
  Federal Register Vol 69, No. 206, p. 62549

PROGRAM HISTORY

- **On February 24, 2005, SBA issued the Interim Final Rule to clarify the Office of Hearings and Appeals (OHA) procedures for protest determination appeals for SDVO SBC status challenges.**
  Federal Register Vol 70, No. 36, p. 8923

- **On March 23, 2005, SBA issued the Final Rule to amend the Interim Final Rule and clarify several procedures.**
  Federal Register Vol 70, No. 55, p. 14523

PROGRM REQUIREMENTS

- **Adjudication**
- **Size**
- **Ownership & Control**
- **Highest Position Held**

PROGRAM REQUIREMENTS

- **The SDV must have a service-connected disability that has been determined by the Dept of Veterans Affairs or DOD**
- **The SDVO SBC must be small under the NAICS code assigned to the procurement**
- **The SDV must unconditionally own 51% of the SDVO SBC**
- **The SDV must control the management and daily operations of the SDVO SBC**
- **The SDV must hold the highest officer position in the SDVO SBC**

13 CFR § § 125.8 – 125.10/FAR Part 19.1403(a) - (b)

SBA

TYPES OF CONTRACTS

- **SET-ASIDE EXEMPTIONS**
- **SET-ASIDES**
- **SOLE SOURCE**
- **SIMPLIFIED ACQUISITIONS**

SET-ASIDE EXEMPTION

A contracting activity may not make a requirement available for a SDVO contract if:

1. **The requirement would be fulfilled through award to Federal Prison Industries, Inc. or to Javits-Wagner-O'Day Act participating non-profit agencies for the blind and severely disabled.**

2. **The requirement is currently being performed by an 8(a) participant or SBA has accepted that requirement for performance under the authority of the Section 8(a) Program.**

13 CFR § 125.18/FAR Part 19.1404

SET-ASIDE REQUIREMENT

A Contracting Officer (CO) may set-aside requirements if:

1. **The requirement is not exempted from SDVO contracting.**
2. **The contracting officer considers setting aside the requirement for 8(a), HUBZone, or SDVO SBC participation before considering setting aside the requirement as a small business set-aside.**
4. **There is a reasonable expectation that at least two responsible SDVO SBCs will submit offers; and**
5. **The award can be made at a fair market price.**

13 CFR § 125.19/FAR Part 19.1405(a) – (b)

SOLE SOURCE CONTRACT

A CO may award a sole source contract if:

1. **The requirement is not exempted from SDVO contracting and cannot be set-aside.**
2. **The CO does not have a reasonable expectation that at least two responsible SDVO SBCs will submit offers.**
3. **The anticipated award price of the contract, including options, will not exceed:**
   - **$5.0M for manufacturing requirements**
   - **$3.0M for all other requirements**
4. **Award can be made at a fair market price.**

13 CFR § 125.20/FAR Part 19.1406

SBA

SIMPLIFIED ACQUISITION THRESHOLD

If the requirement is at or below the simplified acquisition threshold, **the CO may set-aside the requirement** for consideration among SDVO SBCs using simplified acquisition procedures or may award a sole source contract to an SDVO SBC.

ADDITIONAL CONTRACT REQUIREMENTS

- **LIMITATIONS ON SUBCONTRACTING**
- **JOINT VENTURES**
- **NON-MANUFACTURERS**

ADDITIONAL CONTRACT REQUIREMENTS

LIMITATIONS ON SUBCONTRACTING

SDVO SBC Prime or Sub-contractor can subcontract for:

- **SERVICES CONTRACTS (EXCEPT CONSTRUCTION):**
  - **50% of the contract performance incurred for SDVO SBC personnel**
- **SUPPLY CONTRACTS:**
  - **50% of the cost of manufacturing the supplies**
- **GENERAL CONSTRUCTION:**
  - **15% of the contract performance incurred for SDVO SBC personnel**
- **CONSTRUCTION BY SPECIAL TRADE:**
  - **25% of the contract performance incurred for SDVO SBC personnel**

13 CFR §125.6(b)

ADDITIONAL CONTRACT REQUIREMENTS

Joint Ventures

- **1 or more other small business concerns (SBCs)**
- **Each SBC is small under the contract's North American Industry Classification System code**
- **SDVO SBC must manage the venture**
- **JV must perform applicable percentage of work**

13 CFR § 125.15(b)/FAR Part 19.1403(c)

ADDITIONAL CONTRACT REQUIREMENTS

Non-manufacturers

- The SDVO SBC does not exceed 500 employees
- Is primarily engaged in the wholesale or retail trade
- Sells to the general public and
- Supplies the end item of a small business (unless requirement is waived by the SBA Administrator)

13 CFR § 125.15(c)/FAR Part 19.1403(d)

OFCAVBO's Services

- **The Office of Federal Contract Assistance for Veteran Business Owners provides service-disabled veteran-business owners with:**
  - **A single point-of-contact to address their questions and concerns and receive clarification on designated procurement opportunities**
- **It also**
  - **Provides guidance on sole-source and set-aside procurement opportunities, and protest and appeal procedures**
  - **Helps federal agencies meet their 3 percent prime and subcontracting goals and**
  - **Provides guidance to federal contracting officers on the criteria used to verify service-disabled-veteran status and determines business ownership and control requirements.**

OTHER AVENUES TO CONSIDER

- **Simplified Acquisitions (under $100,000)**
  - **Approximately 80 percent of government purchases are through small acquisitions**
  - **Contact Agency Contract Officers or Contract Specialists**

POINTS OF CONTACT

- **Office of Veterans Business Development:**

  Janet E. Moorman
  Telephone: 202-205-7419
  Email: janet.moorman@sba.gov
  OVBD website: www.sba.gov

- **Office of Federal Contract Assistance for Veteran Business Owners**

  Teresa Lewis
  Telephone: 202-619-1624
  Email: tresa.lewis@sba.gov
  OFCAVBO: www.sba.gov/GC/indexprograms-vets.html.

POINTS OF CONTACT

- **U.S. SMALL BUSINESS ADMNISTRATION**

  San Antonio District Office

Fernando J. Guerra

Veterans' Business Development Officer

17319 San Pedro Bldg. 2, Suite 200

San Antonio, TX 78232

(210)403-5926